

Michigan Federation of AFSA Locals—AFL-CIO



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Testimony Regarding School Health Plan Dec. 6, 2005

On behalf of the Michigan Federation of AFSA Locals (MI-AFSA, AFL-CIO), my name is Michael Vogel, and I am the president of that organization. I am in support of SB's 895-898, the School Employee Health Benefits legislation that is before you. The Michigan Federation of the American Federation of School Administrator Locals represents principals, assistant principals and other school administrators in school districts and community colleges. MI-AFSA includes as one of its members OSAS, the Organization of School Administrators and Supervisors (OSAS) in the Detroit Public Schools.

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We support the establishment of a statewide voluntary catastrophic loss plan for school employers, which will open the way to more competitive health care purchasing through joint purchasing coalitions and self-funding. These bills would also provide the necessary transparency in health care information for school employees and employers that will enable competitive purchasing to take place and will help employees be more informed and healthier consumers. Establishing such a fund will enable smaller districts to move towards pooling with other districts and self-funding health benefits. A number of larger districts, including Detroit and Dearborn, already self-fund but smaller districts currently cannot afford to do so on their own.

We are all aware of the increasing pressure that providing health care coverage is placing on employers. It is imperative that we as stewards of our children and public tax dollars are efficient with the way we administer our resources. MI-AFSA/OSAS believes that the bills being considered effectively address the increasing costs of health care, maintain local autonomy and control, and also allow for the continuation of collective bargaining for health care benefits.

Like everyone else, we want to keep costs down, but we also want quality health care coverage-- and we want to continue to have something to say about it. Quality health care insurance is very important in recruiting and retaining employees. Our schools and community colleges must compete against other employers, including those in the private sector, who may offer higher salaries. If we can provide attractive health benefits, we can still compete successfully for highly capable candidates. For example, both school districts and community colleges must hire clerical staff to perform both routine and highly sensitive clerical functions. Yet for these positions, we compete against every other unit of government as well as against private businesses. As another example, some of our members are administrators at Henry Ford Community College, which has a

very fine and valuable nursing program. The competition for nurses is fierce, and good fringe benefits including health care are crucial to maintaining the size and quality of the nursing program at that institution.

As school administrators and educators, it is important to us that we deliver quality instruction to our students and utilize available resources efficiently. It is also important that educators are provided with health care coverage that attracts and retains highly trained and qualified individuals-- and promotes good health practices among employees. Therefore, MI-AFSA/OSAS is supportive of SB's 895-898 and encourages your support as well.

Thank you for your consideration. I would be willing to entertain any questions.